



VINE[®] Service Agreement

Agreement No.: **1452408(existing service)**

Date: **26 September 2005**

BETWEEN:

Appriss Inc.

10401 Linn Station Rd., Suite 200

Louisville, KY 40223-3842

(CUSTOMER):

Montana Department of Corrections

1539 11th Ave, PO Box 201301

Helena, MT 59620-1301

I. Appriss Inc. (the "Service Provider") hereby agrees to provide ongoing victim notification services as described herein and in the proposal attached to this Agreement as a part of Appendix B hereto (the "Services"). The services will be provided in connection with the following Correctional Facilities: The Montana State Prison System. The services will be provided to: The Montana Department of Corrections (the "Customer"). The Customer hereby agrees to purchase from the Service Provider the Services on the terms and conditions hereinafter set forth. This Agreement shall be effective as of the 1st day of October 2005, and continue for thirty-six consecutive months with 4 additional 12-month renewal options. Billing information for 'Recurring Operational Fees' is listed under section IV

II. Description of Services.

VINE[®] Service. Subject to the conditions and limitations contained herein, the Service Provider shall provide the Services on a 24 hour a day, 7-day a week basis through its automated call center (the "VINE Call Center"). This victim notification service shall herein be referred to as the "VINE Service." Included in this VINE Service are the initial labor and expenses to dedicate a special telephone number for the Customer's use of the VINE Call Center. The VINE Service includes the processing of incoming and outgoing victim calls as well as other services, which are described in the attached proposal. Victim notification calls only occur after the Customer manually enters the required data into a VINE workstation or the Customer's automated system creates a file with the required data that is transmitted to the VINE Call Center. Upon receipt of the required data, the notification processes as defined in the VINE proposal are performed. The Customer is responsible for making modifications to their automated system and will manage their internal resources and/or system vendor to complete the required programming to provide the Service Provider with the data required for the signal notification. The Customer shall bear all costs associated with these changes or modifications to their existing automated system. The Service Provider acts only in the capacity of consultant to assist in this work. The Service Provider is responsible for all

VINE[®] Service Agreement

development associated with the processing of the notification signal and the actual notification attempts once the signal has been transmitted. Where applicable, costs of postage and stationary are excluded. Appriss has been providing this Service to the Customer since 1997.

~~a. Each month the Service Provider shall provide the Customer with a 30% commission based on the monthly Gross Billings on the service. The Customer can receive documentation on the call volume upon request.~~

~~Commissions will be paid to the Customer once cumulative net revenues generated on the account are positive. Commissions will be based on gross revenues generated, but only paid to a Customer when call volume exceeds 300 calls per month. Any charge backs received from the 900 service provider due to uncollectable calls will offset commissions payable to the Customer. Subsequent adjustments in commissions will reflect these charge backs.~~

III. Supplies and Materials. Support materials, such as brochures, posters and similar materials are designed and updated by Appriss. At the Customer's expense, quantities of support materials may be purchased from the Service Provider at our published pricing.

IV. Pricing Fees and Commissions. Service Provider must receive a purchase order from the Funding Source (as defined in Appendix A hereto) to cover the following fees. The Customer billing contact information and Funding Source contact information must be provided on Appendix A (attached).

b. Recurring Operational Fees. These fees cover the annual cost of operating and supporting the VINE Service. Hardware and software service is included in this fee. All incoming and outgoing calls are included in these fees as well as 24 hour monitoring of the service and the cost of transmitting all data. The operational fee for the VINE Service will be:

\$36,000.00/Annual (Oct 1, 2005 – Sept 30, 2006)

\$38,160.00/Annual (Oct 1, 2006 – Sept 30, 2009)

\$40,449.60/Annual (Oct 1, 2009 – Sept 30, 2012)

Invoices not paid after-within 30 days of the date of invoice will be assessed a finance charge of 1% per month.

V. Performance of Additional Services Not Covered. Per the 2002-2003 Service Renewal; The parties agreed that should the Service Provider choose to perform, at the Customer's request, any services not covered by this Agreement~~contract~~, the Customer shall compensate the Service Provider for its direct labor, parts and subcontracted work at the Standard Rate of \$160.00/hour and Overtime Rates of \$175.00/hour. Overtime rates will apply to any work performed at times following a 40-hour workweek.

VINE[®] Service Agreement

~~a. Indemnification of Service Provider. The Customer shall indemnify to the extent permitted by law, the Service Provider and shall hold the Service Provider harmless against any damage, loss, cost or expense which the Service Provider may sustain or incur by reason of any claim, demand, suit or recovery by any person or entity arising out of the failure of the Customer to perform the Customer's obligations pursuant to this Agreement. Customer shall not be liable under the foregoing indemnification provision to the extent any damage, loss, cost or expense results from the proportional negligence or willful misconduct of the Service Provider.~~

~~b. Indemnification to the Customer. Notwithstanding Section VII (a) hereof, the Service Provider shall indemnify the Customer and shall hold the Customer harmless against any damage, loss, cost or expense which the Customer may sustain or incur by reason of any claim, demand, suit or recovery by any person or entity arising out of the Service Provider's performance (or nonperformance) of the Service Provider's obligations pursuant to this Agreement.~~

~~c. Limitation Period. Neither party hereto may assert against the other party any claim in connection with this Agreement unless the asserting party has given the other party written notice of the claim within one (1) year after the asserting party first knew or should have known of the facts giving rise to such claim.~~

VI. Warranty. The Service Provider represents and warrants qualified personnel shall perform the Services in a competent and professional manner. If the software does not substantially conform to the software specification, the Service Provider's sole obligation under this warranty is to remedy such defect, provided that the software has not been modified by anyone other than the Service Provider. These express limited warranties are in place of all other warranties, express or implied, including, without limitation, implied warranties of merchantability or fitness for a particular purpose and all such other warranties are expressly disclaimed and excluded by the Service Provider.

VII. Ownership of Intellectual Property. The Service Provider retains all ownership rights in the software and all documents, designs, inventions, copyrightable material, patentable and unpatentable subject matter and other tangible materials authored or prepared by the Service Provider (the "Intellectual Property") in connection with the Services. Nothing contained herein shall be construed to grant the Service Provider any ownership rights in data supplied by the Customer to the Service Provider in connection with this Agreement.

Copy of Work Product. A detail of the provided Service is outlined in the Appendix B attachment (Services). The Service Provider has made available to the Customer a secure website, VINERWatch, where they can view and run reports against the Service's usage information. Information the Customer should expect to access from the website is as follows:

VINE[®] Service Agreement

Usage Reports

Inbound/Outbound call stats and number of new registrations, these numbers are updated every Monday and the 1st of each month. This report is accessed by entering a Month/Year field and contains historical information back to July 2001. Outbound statistics are broken down to be categorized by notification. Registrations are broken down to show how they were made (through toll free line, public website, or Appriss/VINE operator staff).

Registrations: can be run by offender number, registered phone number, or by general date ranges. Information is real time. This report allows the Customer to view registrations and the date and method in which Appriss received them. The Service Provider maintains this information for historical look up.

Notifications: can be run by offender number, registered phone number, or by general date ranges. Information is real time. This report allows to Customer to view calls made to registered victims and see the result of each placed call as well as final call result. The Service Provider maintains this information for historical look up.

The customer also has the ability to view open work issues the Service Provider has scheduled.

At the Customers request, any of these reports can be made available in hard copy.

VIII. Intellectual Property Indemnification. The Service Provider hereby agrees to indemnify, hold harmless and defend the Customer, its affiliates, subsidiaries, officers, directors, employees, independent contractors and agents from and against all claims, liabilities, losses, expenses (including reasonable attorneys' fees), fines, penalties, taxes or damages (collectively "liabilities") asserted by any third party against the Customer to the extent such liabilities result from the infringement by the software of any third party's trade secrets, trademarks, copyrights, or patents issued as of the date of this Agreement; provided that the Customer (i) promptly notifies the Service Provider of any third party claim subject to indemnification hereunder, (ii) gives the Service Provider the right to control and direct the preparation, defense and settlement of any such claim and (iii) gives full cooperation to the Service Provider for the defense of same. The foregoing provisions shall not apply to any infringement arising out of: (i) use of the software other than in accordance with applicable documentation or instructions supplied by the Service Provider or for other than the Customer's internal purposes; (ii) any alteration,

VINE[®] Service Agreement

modification or revision of the software not expressly authorized in writing by the Service Provider; or (iii) the combination of the software with materials not supplied by the Service Provider.

In case any of the software or any portion thereof is held, in any such suit to constitute infringement, the Service Provider may within a reasonable time, at its option, either (i) secure for the Customer the right to continue the use of such infringing item; or (ii) replace, at the Service Provider's sole expense, such item with a substantially equivalent non-infringing item or modify such item so that it becomes non-infringing.

IX. Confidentiality. The Service Provider shall not disclose or remarket to any person, firm or entity any Confidential Information without the Customer's express, prior written permission; provided, however, that notwithstanding the foregoing, the Service Provider may disclose Confidential Information to the extent that, on the advice of Service Providers' counsel, it is required to be disclosed pursuant to a statutory or regulatory provision or court order. "Confidential Information" means all documents, reports, data, records, forms and other materials obtained by the Service Provider from the Customer in the course of performing any Services (including, but not limited to, the Customer records and information): (i) that have been marked as confidential; (ii) whose confidential nature has been made known by the Customer to the Service Provider; or (iii) that due to their character and nature, a reasonable person under like circumstances would treat as confidential. Notwithstanding the foregoing, Confidential Information does not include information which: (i) is already known to the Service Provider at the time of disclosure by the Customer; (ii) is or becomes publicly known through no wrongful act of the Service Provider; (iii) is independently developed by the Service Provider without benefit of the Customer's Confidential Information; or (iv) is received by the Service Provider from a third party without restriction and without a breach of an obligation of confidentiality.

X. Liability Limit. Except for damages caused by injury to persons or tangible property, or related to defending intellectual property provided under the contract, the Contractor's liability for contract damages is limited to direct damages.

XI. Force Majeure. The Service Provider shall not bear any liability or responsibility whatsoever to any other party for any failure to perform or delay caused by fire, earthquake, explosion, flood, hurricane, tornadoes, the elements, acts of God or the public enemy, restrictions, limitations or interference of governmental authorities or agents, war, invasion, insurrection, rebellion, riots, strikes or lockouts, inability to obtain necessary materials, goods, services, utilities or labor, or any other cause whether similar or dissimilar to the foregoing which is beyond the reasonable control of the Service Provider, and any such failure or delay due to said causes or any of them.

VINE[®] Service Agreement

- XII. Entire Agreement; Inconsistent Terms.** This ~~contract~~Agreement and all exhibits, appendices, and schedules attached hereto is ~~includes~~ the complete and exclusive statement of the ~~Agreement~~agreement between the Customer and the Service Provider, and supersedes any and all other agreements, oral or written, between the parties. This ~~contract~~Agreement may not be modified except by written instrument signed by the Customer and by an authorized representative of the Service Provider. The parties agree that any terms or conditions of any purchase order or other instrument that are inconsistent with, or in addition to, the terms and conditions hereof, shall not bind or obligate the Service Provider.
- XIII. ~~Contract Renewals~~Term and Termination.** This Agreement shall commence upon the date set forth above and continue in effect for thirty-six (36) months. The Customer has 4 one-year renewal options. Any changes in noted pricing for this Agreement will be mutually negotiated between the Service Provider and the Customer prior to contract renewal. Either party may terminate this Agreement if the other party breaches this Agreement and fails to cure such breach within thirty (30) days of written notice of such breach. In the event of any expiration or termination, Customer shall cease any further use of the Intellectual Property and the Software.
- XIV. Parties in Interest.** Nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except among the parties hereto, and no person or entity shall be regarded as a third-party beneficiary of this Agreement.
- XV. Assignment.** This ~~contract~~Agreement shall bind and inure to the benefit of the Service Provider's successors and assigns. The Customer may not assign its rights, duties, or obligations under this ~~contract~~Agreement without prior written consent of the Service Provider.
- XVI. Jurisdiction and Choice of Law.** This contract is governed by the laws of Montana. The parties agree that any litigation concerning this bid, proposal or subsequent contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana and each party shall pay its own costs and attorney fees. (See Mont. Code Ann. § 18-1-401.)
- XVII. Customer's Project Manager.** For the purposes of this project, the following contact will be used as the Customer's project management contact. All project responsibilities that belong to the Customer will be coordinated and managed by this contact. The Customer has appointed the project manager to be Sally Hilander, who can be reached at telephone number (406) 444-7461.

VINE[®] Service Agreement

XVIII. Assignment, Transfer, and Subcontracting. The Contractor shall not assign, transfer or subcontract any portion of this contract without the express written consent of the State. (Mont. Code Ann. § 18-4-141.) The Contractor shall be responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Contractor. No contractual relationships exist between any subcontractor and the State.

XIX. Access and Retention of Records

Access to Records. The Contractor agrees to provide the State, Legislative Auditor or their authorized agents access to any records necessary to determine contract compliance. (Mont. Code Ann. § 18-1-118.)

Retention Period. The Contractor agrees to create and retain records supporting the services provided for a period of three years after either the completion date of this contract or the conclusion of any claim, litigation or exception relating to this contract taken by the State of Montana or a third party.

(Signature Page Follows)

VINE[®] Service Agreement

| ***INTERACTIVE SYSTEMS******APPRISS*** ***INC.*** BY:

Signature

Date

Thomas R. Seigle

Vice-President, Gov. Sales

Name

Title

Customer Acceptance of Proposal: The above prices, proposal, provisions and conditions are satisfactory and are hereby accepted. Service Provider is authorized to do the work as specified. Payment will be made as described on the terms outlined in this Service Agreement.

CUSTOMER BY:

Signature

Date

Name

Title

**APPRISS INC.
SERVICE AGREEMENT - APPENDIX A**

Customer: Montana Department of Corrections

Billing Address: _____
Street Address

City State Zip

Finance Contact: _____
Name Title

Telephone: _____ Fax: _____

E-mail : _____

Funding Source: _____

Billing Address: _____
Street Address

City State Zip

Finance Contact: _____
Name Title

Telephone: _____ Fax: _____

Date funds to be received from Funding Source: _____

Mail payments to:
**APPRISS INC.
PO BOX 632539
CINNINATI, OH 45263-2539**

Questions and correspondence related to billings and/or payments may be directed to:

Ted Williams
Corporate Controller
Appriss Inc.
10401 Linn Station Road, Suite 200
Louisville, KY 40223-3842
800-816-0491, ext. #3930
502-815-0301 fax
twilliams@appriss.com

APPRISS INC.
SERVICE AGREEMENT - APPENDIX B

The attached VINE system Services, consisting of 8 pages is considered to be part of Appendix B of this Service Agreement.



Services for

MT-DOC

Existing Service 1452408



VINE® provides victims in communities in 40 states nationwide with immediate access to offender information and the ability to be notified when the offender is released or transferred.



VINE includes:

- ✓ ***Training***
- ✓ ***Promotion***
- ✓ ***Public Relations***

VINE® – Victim Information and Notification Everyday

In 1994 Jefferson County, KY responded to another victim's death. Mary Bryon had been assured that she would receive notice at the time her attacker was released from custody.

The notification did not occur and after stalking Mary for a week, her attacker killed her as she was leaving work. The result of this tragic event was an automated victim information and notification system called VINE.

Since its inception in 1994, the VINE system has spread to communities in 37 states. Systems in 19 states allow victims to call a single toll-free number to access information about offenders incarcerated in the state and register for notification upon their release or transfer.

What is VINE?

VINE is a service that provides automated inbound and outbound call services for crime victims within a specific state, county, or city. Victims of crime call a toll-free number to receive basic information about an offender in custody, court case, and/or probation/parole offender. When a victim registers, VINE monitors the offender and/or case status and automatically begins making notification attempts when a change occurs.

Soon to be included with the service is VINEWatch, a secure web-based tool that allows the customer to register victims for notification. This site also provides statistics and audit reports on all notification calls that the system processes. Every contact to a victim is logged to provide assurance of the systems performance. This is part of the current system upgrade.

Appriss, Inc. provides these services by linking the customer's system into the Appriss Notification Center located in Louisville, Kentucky. In addition to providing these automated services and support, Appriss prepares and assists the customer with a complete training, promotion, and public relations campaign designed to ensure that the program effectively reaches crime victims within the community.

Notification Methods:

- ✓ ***Telephone***
- ✓ ***E-mail***

Emergency calling pattern for urgent events where safety is an issue.

Non-emergency calling pattern for events where safety is not an issue.

Event Notifications

Automated notifications can be delivered in the following ways:

- ✓ Telephone
- ✓ E-mail

Telephone notifications can be delivered to any direct dial number (e.g., home, work, cell). Addresses for e-mail notifications must be collected from either your automated system via the interface, by entry into VINEWatch, or by the victim through the VINELink website. VINELink is a web-based portal that allows victims to look up offenders or cases and register online. VINELink is made available along with VINEWatch with the upgrade.

E-mail notifications are initiated at the time of the event change. VINE provides two different telephone notification-calling patterns based upon the level of urgency. The Emergency-calling pattern begins immediately after the event is detected regardless of the time of day or night. The Non-Emergency calling pattern is restricted to normal daytime hours.

In the Emergency-calling pattern, a failed connection occurs when a busy or no answer is received. All other calls are considered valid connections. When a failed connection occurs, the next call is made 30 minutes later. When a valid connection occurs but a valid PIN is not entered, the next call is made 2 hours later. This pattern continues until either a valid PIN is entered or a period of 24 hours expires.

In the Non-Emergency calling pattern, information notices are considered not to represent an immediate safety issue. These calls will be restricted to 7:00am to 10:00pm (customer's local time). A failed connection occurs when a busy or no answer is received. All other calls are considered valid connections. When a failed connection occurs the next call is made 30 minutes later. When a valid connection occurs but a valid PIN is not entered, the next call is made 2 hours later. This pattern continues until either a valid PIN is entered or a period of 48 hours expires.

Emergency Override Line allows you to handle situations if your automated system is down.

VINE can be offered in multiple languages based upon your community's needs.

Calls are either considered a “Final” notification to the victim (i.e., transfer out of jurisdiction or death) or “Not Final” (i.e., court hearing notice, arrest, or advance release notice). When notifying the victim of a “Final” notice of any type (i.e., release, transfer out of jurisdiction), VINE will warn the victim that the call is final, and the victim needs to register again for future notification should the offender be brought back to the jail.

Calls will be made in English. Deviations from the standard calling patterns may result in higher ongoing service fees.

Emergency Override Line

Worried about times when an event might occur and your booking or case management system is unavailable? Don’t; VINE provides a special line (EOL) that allows you to call and enter an override. All you need is your special access code and the offender or case number to do an emergency override. EOL is also available via the secure VINEWatch website.

System Promotional and Training Support

The Customer Account Representative (CAR) assigned to your account will work with your project manager to schedule onsite trainings and work with you to schedule media events to promote the service. You can receive supplies of promotional materials, designed specifically for your system. The CAR will work with you to design these materials. The printing costs are the responsibility of the site.

Language Options

Does a portion of your community primarily speak another language? No problem; VINE is currently being provided in over 15 different languages at sites across the nation.

VINE is your system. Your involvement throughout the implementation is key to its ultimate success.

Your relationship with Appriss does not end when the system is operational. A key component to any hosted service is an ongoing relationship for the life of the project.

What are the customer's responsibilities?

Appriss does the majority of the work required to implement and operate your VINE system. The customer is expected to provide assistance in the following areas:

- Assign project contact – The customer must designate a chief point of contact to answer questions. This person should also have the authority to either make decisions or quickly obtain decisions to issues that might arise.
- Assist with other contacts – Implementation of the system often requires that other individuals (e.g., technical, public relations, training coordinators) within the customer's organization be contacted to obtain information and assistance. The customer's chief point of contact is expected to assist Appriss staff in contacting these individuals and managing the relationship for the duration of the project.
- Provide on-going contact – Appriss does not implement a system and leave. We maintain an ongoing relationship with you since VINE is hosted and operated from our center. This means we need you to provide us with a continuing point of contact that is empowered to address any issues that might arise throughout the life of our relationship.



VINE provides victims with peace of mind by providing up-to-date information about incarcerated offenders.

Release / Transfer Notification

Based upon information available in your booking system and any unique requirements or specifications, VINE can provide any of the following information on inbound calls from the public:

- Custody Status of the Offender:
 - ✓ Supervised Custody
 - ✓ Unsupervised Custody
 - ✓ Transferred to Another Agency
 - ✓ Released From Custody
- Location of the Offender
- Sentence Expiration Date
- Up to 90 seconds of useful messages providing direction to other victim service agencies within the communities.

As changes occur in the offender's status, notifications will be made to all registered individuals. The following types of notification are available:

- ✓ Released From Custody
- ✓ Transfer
- ✓ Escape
- ✓ Death
- ✓ Return to Custody after Escape
- ✓ Scheduled Release
- ✓ Upcoming Parole Hearing
- ✓ Sentence
- ✓ Released From Custody



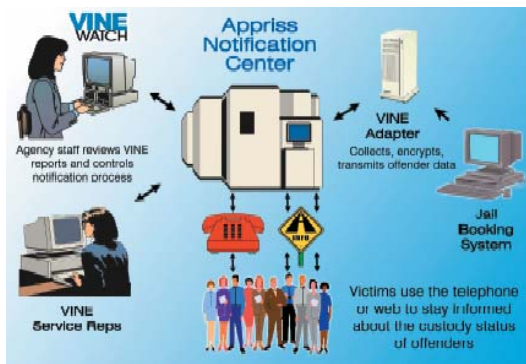
Appriss services include:

- ✓ *24 x 7 Monitoring*
- ✓ *24 x 7 Support*
- ✓ *System training*
- ✓ *Support materials*
- ✓ *Promotional support*

Who Is Appriss?

Appriss, Inc. is a Louisville, Kentucky based company that provides automated technology solutions to criminal justice agencies at all levels of government. It's initial product offering VINE® (Victim Information and Notification Everyday) is now provided to over 1,400 communities in 37 states and 2 Canadian Provinces.

By providing automated solutions in a hosted environment, Appriss is able to dramatically reduce system costs to customers. Customers are able to share hardware and system support costs with other agencies across the nation when their services are hosted in the Appriss Notification Center.



data from customer sites nationwide through a
tor customer systems for changes. When it comes
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g your solution. Included with all hosted services
are 24 / 7 support and monitoring, on-site training sessions, informational materials and
promotional support. We assign a team of specialists to each account who are available to
assist you with any need that might arise.

Are you providing victims in your community with the information they need to remain
informed and safe? Let Appriss help you.

Annual service fee covers all costs associated with hosting and operating system.

Description of Service Fees

Annual Service Support Fee

The annual service support fee covers the following program expenses:

- Ongoing service operation 24 / 7
- Support of interface hardware and software
- Monitoring of all system hardware and software
- 24 hour troubleshooting support for system alarms
- Public relations support for generating ongoing media updates
- All incoming and outgoing telephone calls
- Communications cost for transferring data
- Ongoing support of system script or normal programming changes *(NOTE: Changes to system script or programming for languages other than English and Spanish will result in additional charges.)*